

**Los Angeles County  
Board of Supervisors**

**Gloria Molina**  
First District

**Mark Ridley-Thomas**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

**Mitchell H. Katz, M.D.**  
Director

**John F. Schunhoff, Ph.D.**  
Chief Deputy Director

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To improve health  
through leadership,  
service and education.*



[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

January 04, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENTS TO TWO WORKERS' COMPENSATION  
IDENTIFICATION AND RECOVERY SERVICES AGREEMENTS  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to extend the term of Workers' Compensation Identification and Recovery Services agreements with Southern California Med-Legal Consultants, Inc. and Boehm & Associates.

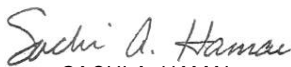
**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve and authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 1 to Agreement No. H-701871 with Southern California Med-Legal Consultants, Inc. (SCMLC) and Amendment No. 1 to Agreement No. H-701872 with Boehm & Associates (B&A), effective upon Board approval, to extend the term of both Agreements for the period February 1, 2011 through January 31, 2012, with an additional three month-to-month extensions for each Agreement, for the continued provision of Workers' Compensation Identification and Recovery Services (WCIRS) at Department of Health Services (DHS) facilities at an estimated cost of \$90,663 for SCMLC and \$377,521 for B&A, with no change to the contingency fee rate.

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

#11 JANUARY 4, 2010

  
SACHI A. HAMAI  
EXECUTIVE OFFICER

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The current Agreements will expire on January 31, 2011. Approval of the recommendation will allow the Director, or his designee, to execute Amendments, substantially similar to Exhibits I and II with SCMLC and B&A, to extend both Agreements. WCIRS serves as a “safety net” function to identify Workers’ Compensation coverage not identified by the facility or its primary contractors. DHS refers accounts to SCMLC and B&A for WCIRS after the County’s and its primary contractors’ best efforts to collect monies have been exhausted.

The requested extension is necessary to allow DHS to conduct a solicitation for WCIRS and recommend approval of the successor agreement to your Board. There is also provision for an additional three month-to-month extensions which will allow the Director, or his designee, to extend the term of the Agreements with SCMLC and B&A, if necessary, to complete the solicitation process and award the successor WCIRS agreements.

## **Implementation of Strategic Plan Goals**

The recommended actions support Goal 4, Health and Mental Health, of the County’s Strategic Plan.

## **FISCAL IMPACT/FINANCING**

The two Contractors generated approximately \$3 million in gross revenue during Fiscal Year (FY) 2009-10, allocated as follows:

Revenue Collected:

SCMLC \$801,863; B&A \$2,447,684; Total \$3,249,547

Contingency Fees Paid:

SCMLC \$160,373; B&A \$489,537; Total \$649,910

Fees Paid as a Percentage of Revenue Collected:

SCMLC 20 percent; B&A 20 percent

The total estimated cost for the one-year extension period is \$468,184. Funding is included in the DHS FY 2010-11 Final Budget and will be requested for FY 2011-12.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Since 1998, DHS has contracted for WCIRS at DHS facilities. On January 17, 2006, your Board approved the current Agreements with SCMLC and B&A to provide WCIRS at DHS facilities after a solicitation process.

The recommended Amendments add the latest provisions required by your Board since the Agreements were initially approved, including the Defaulted Property Tax Reduction Program. The Agreements may be terminated for convenience by the County upon 30 days’ prior written notice.

County Counsel has approved Exhibits I and II as to use and form.

DHS has determined that the provisions for the Living Wage Program (County Code Chapter 2.201)

do not apply to these Agreements as the services are of an extraordinary professional nature and are needed on an intermittent basis.

**CONTRACTING PROCESS**

Not applicable.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will ensure the continued provision of WCIRS.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is fluid and cursive, with the first name "Mitchell" written in a larger, more prominent script than the last name "Katz".

Mitchell H. Katz, M.D.

Director

MHK:smc

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

Contract No. H-701871-1

WORKERS' COMPENSATION IDENTIFICATION  
AND RECOVERY SERVICES AGREEMENT

AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011,

by and between	COUNTY OF LOS ANGELES (hereafter "County"),
and	SOUTHERN CALIFORNIA MED-LEGAL CONSULTANTS, INC. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled, "WORKERS' COMPENSATION IDENTIFICATION AND RECOVERY SERVICES AGREEMENT", dated February 1, 2006, and further identified as County Agreement No. H-701871 (hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend its term and to make the changes described hereinafter; and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective upon Board approval.
2. The first Sub-paragraph of Paragraph 1 of Agreement, TERM, shall be deleted in its entirety and replaced with the following:

"1. TERM: The term of this Agreement is effective February 1, 2006, and unless sooner canceled or terminated as provided herein, shall continue in full force and effect to midnight January 31, 2012. The Director of Health Services on behalf of County, in his sole discretion, shall have the option to further extend the Agreement on a month-to-month basis, not to exceed three months."

3. Paragraph 10 of Agreement, DELEGATION AND ASSIGNMENT, shall be deleted in its entirety and replaced with the following:

"10. ASSIGNMENT AND DELEGATION:

A. The Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this subparagraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution

of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

4. Paragraph 31 of ADDITIONAL PROVISIONS, CONTRACTOR RESPONSIBILITY AND DEBARMENT, shall be deleted in its entirety and replaced with the following:

"31. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

#### B. Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

#### C. Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### D. Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence

which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or



terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

E. Subcontractors of Contractor

These terms shall also apply to subcontractors of County Contractors.”

5. Paragraph 36, CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to ADDITIONAL PROVISIONS as follows:

“36. CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206.”

6. Paragraph 37, TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to ADDITIONAL PROVISIONS as follows:

“37. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S

DEFAULTED PROPERTY TAX REDUCTION PROGRAM Paragraph shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.”

7. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by its Director of Health Services and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Mitchell H. Katz, M.D.  
Director of Health Services

SOUTHERN CALIFORNIA MED-LEGAL  
CONSULTANTS, INC.  
\_\_\_\_\_  
Contractor

By \_\_\_\_\_  
Signature

Title \_\_\_\_\_

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL

Contract No. H-701872-1

## WORKERS' COMPENSATION IDENTIFICATION AND RECOVERY SERVICES AGREEMENT

## AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011,

by and between COUNTY OF LOS ANGELES  
(hereafter "County"),

and BOEHM & ASSOCIATES  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled, "WORKERS' COMPENSATION IDENTIFICATION AND RECOVERY SERVICES AGREEMENT", dated February 1, 2006, and further identified as County Agreement No. H-701872 (hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend its term and to make the changes described hereinafter; and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective upon Board approval.
2. The first Sub-paragraph of Paragraph 1 of Agreement, TERM, shall be deleted in its entirety and replaced with the following:

"1. TERM: The term of this Agreement is effective February 1, 2006, and unless sooner canceled or terminated as provided herein, shall continue in full force and effect to midnight January 31, 2012. The Director of Health Services on behalf of County, in his sole discretion, shall have the option to further extend the Agreement on a month-to-month basis, not to exceed three months."

3. Paragraph 10 of Agreement, DELEGATION AND ASSIGNMENT, shall be deleted in its entirety and replaced with the following:

"10. ASSIGNMENT AND DELEGATION:

D. The Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this subparagraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

E. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution

of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

F. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

4. Paragraph 31 of ADDITIONAL PROVISIONS, CONTRACTOR RESPONSIBILITY AND DEBARMENT, shall be deleted in its entirety and replaced with the following:

"31. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

#### B. Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

#### C. Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### D. Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence



which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or

terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

E. Subcontractors of Contractor

These terms shall also apply to subcontractors of County Contractors.”

5. Paragraph 36, CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to ADDITIONAL PROVISIONS as follows:

“36. CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206.”

6. Paragraph 37, TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to ADDITIONAL PROVISIONS as follows:

“37. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S

DEFAULTED PROPERTY TAX REDUCTION PROGRAM Paragraph shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.”

7. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by its Director of Health Services and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Mitchell H. Katz, M.D.  
Director of Health Services

BOEHM & ASSOCIATES  
Contractor

By \_\_\_\_\_  
Signature

Title \_\_\_\_\_

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL